Mike Beebe Governor

Artee Williams

Director

www.dws.arkansas.gov

#### Department of Workforce Services and Arkansas Workforce Investment Board Issuance PY 06-12

From:

Artee Williams, Director

Colette Honorable, Executive Director

Date:

June 29, 2007

**Subject:** Arkansas Work Pays Revisions.

- **1.** <u>Purpose</u>: To make revisions to the Work Pays policy and procedures to comply with Arkansas Act 514 of 2007.
- **2.** <u>Background</u>: The policy revisions will supersede any previously issued clarification or policy regarding Arkansas Work Pays program.
- 3. Information: See Attachment
- **4.** <u>Action Required</u>: Effective July 1, 2007, the following policy revisions will be in effect.
- **5.** For Additional Information: Please contact Derwin Taylor, Program Operations Manager, if there are any questions and/or to make comments at derwin.taylor@arkansas.gov or phone at 501-683-1353.
- 6. Expiration: Until Superseded

# MANUAL TRANSMITTAL

## **Arkansas Department of Workforce Services Division of Employment Assistance**

□ Policy □ Form □ Policy Directive	Issuance Number: TEA 07-02
Transitional Employment Assistance Manual	Issuance Date: 07/01/07
From: Cindy Varner Assistant Director of Employment Assistance	Expiration Date: Until Superseded
Subj: Arkansas Work Pays Revisions	

Pages to be Deleted	Date	Pages to be Added	Date
TEA 10000 – 10800	07/01/06	TEA 10000 – 10900	07/01/07
Appendix F	04/01/07	(pages 222-236) Appendix B (page 237)	07/01/07

#### **Summary of Changes**

Effective July 1, 2007, revisions to the Work Pays policy and procedures are being made to comply with Arkansas Act 514 of 2007.

TEA Policy 10000 -10800 Arkansas Work Pays has been removed and replaced with TEA Policy 10000 -10900 Arkansas Work Pays. Throughout this section of policy the Federal Poverty Level (FPL) has been changed from 100% to 150%.

TEA Policy 10800 has been revised to include an individual who leaves the Work Pays Program due to insufficient work hours may re-enter the program once they establish that they are in a paid work activity with a minimum of twenty-four (24) hours per week and met the federal work participation requirement for the past month.

TEA Policy 10900 has been added to address Work Pay's Overpayments.

Page numbers have been added to all pages of the policy.

Appendix F has been removed and replaced with Appendix B. Appendix B implements the

change in the FPL from 100% to 150%.

Any Work Pays application pending approval on or after July 1, 2007 must meet initial eligibility based on utilizing the 150% of the FPL.

**Inquiries to:** Donna Roshell, TEA Unit, 683-1355, <u>donna.roshell@arkansas.gov</u> Derwin Taylor, TEA Unit, 683-1353, <u>derwin.taylor@arkansas.gov</u>

Paula Gentry, TEA Unit, 682-8182, paula.gentry@arkansas.gov [contact for

eligibility issues only]

## 10000 Arkansas Work Pays

Arkansas Act 1705 of 2005 established the Work Pays Program. Work Pays is an incentive program designed to encourage working TEA clients to remain employed after closure of the TEA case while increasing their hours of work and/or hourly wage. Families participating in Arkansas Work Pays will receive a monthly cash assistance payment in the amount of \$204 for up to 24 months, provided they meet the Work Pays eligibility requirements. The twenty-four (24) months will count toward the federal 60 month time limit but not the state's TEA 24 month limit. This work incentive program may be limited to 3,000 families.

The eligibility worker will explain the Work Pays program to the applicant and provide a Work Pays pamphlet during the initial interview for TEA cash assistance. The case manager will discuss the Work Pays program with the client during on going case management activities. When the TEA case closes due to employment, the client will receive additional information about Work Pays, including a Work Pays application.

### 10100 Work Pays Eligibility Requirements

An individual must meet the following requirements:

- 1. Have care and custody of a related minor child;
- 2. Be a resident of the State of Arkansas;
- 3. Meet the citizenship or alienage requirement (Refer to TEA 2220):
- 4. Apply for Work Pays within six (6) months of TEA case closure with Employment;
- 5. Received TEA cash assistance for at least three (3) months;
- 6. Have not received more that twenty-four (24) months of Arkansas Work Pays Program Benefits.
- 7. Meet Work Hours Requirement:
- For initial eligibility Was engaged in paid work activities for a minimum of twenty-four hours per week for the past month and meet the federal participation rate.
- For on-going eligibility must be in paid work activities for a minimum of twenty-four(24) hours per week and meet the federal participation requirement for one(1) of the past three(3) months and for at least three (3) of the past six (6) months.

- 8. Have income below the federal poverty level for the family size;
- 9. Comply with the Work Pays Personal Responsibility Agreement;
- Comply with Office of Child Support Enforcement (OCSE) requirements, including assignment of support and cooperation in establishing paternity and/or support unless good cause exists.

### 10101 Work Pays Application Process

Each month a Work Pays application will be mailed to all TEA clients whose case closed the prior month due to employment. This process will be completed by Central Office through a mass mailing process. For clients interested in applying for Work Pays, the application must be completed and mailed to the Work Pays Processing Unit who will determine initial eligibility. Applications received at a local DHHS or DWS office or at a case management contractor's office will be forwarded to the processing unit upon receipt. The Work Pays applicant must sign the application. If it is a two-parent household, both parents must sign the form.

## 10102 Determining Initial Eligibility

The client must meet the following general eligibility requirements:

- Have care and custody of a related minor child;
- Be a resident of the State of Arkansas;
- Meet the citizenship or alienage requirement;

In most situations, these requirements will have been established for TEA eligibility and do not have to be re-verified. However, if there has been a change, (e.g. a second parent moves in the household) it must be verified.

#### **Prior TEA Receipt**

The client must have received at least 3 months of TEA cash assistance and the case closed within the past 6 months with employment. This includes cases that close due to reaching the time limit or have been extended and earnings are included. The 3 months do not have to be consecutive. (See example below)

**Example 1**: Ms. Davis applied for Work Pays in September 2006. Her TEA case closed in April 2006 due to employment after receiving assistance for 9 months. The client provided verification of employment with Entergy working 40 hours per week at \$6.00

per hour. Ms. Davis met all eligibility requirements; therefore, her application is approved.

**Example 2:** Ms. Wilson applied for Work Pays in July 2006. Her TEA case closed in June due to employment after receiving assistance for 2 months. These were the only months she received TEA. She is employed 35 hours per week. Since she did not receive TEA for at least 3 months, her application is denied.

#### Income

The parent's gross earnings along with other countable income must be below the 150% Federal Poverty Level for the family size (see Appendix B). The income of the child(ren) is disregarded. (Refer to TEA 2331 for unearned income to disregard) For initial eligibility, self declaration of income can be accepted. However, if it is determined after approval that the client did not meet the income/hours requirement, the case will be closed. This determination will be made by the Case Manager upon receipt of initial work documentation from the client.

#### **Work Hours Requirement**

The client must be employed at least twenty-four (24) hours per week. If less than 30, he/she must be engaged in another countable work activity that when combined with the work hours will meet the federal TANF work requirement for the family. The client's declaration of the hours worked can be accepted. If the hour requirement is met, the application may be approved if all other Work Pays requirements are met. Acceptance of the self-declaration will be documented in the ANSWER system. If it is determined after approval that the client does not meet the work hour requirement, the Work Pays case will be closed. (See examples below)

**Example 1:** Ms. Adams applies for Work Pays on July 1, 2006. It has been verified that she has been employed since May 2006. She works 30 hours per week. Ms. Adams meets the 24 hours per week work requirement and the Federal Participation requirement. If otherwise eligible, the application may be approved.

**Example 2:** Mr. Thomas applied for Work Pays on July 7, 2006. He declares that he has been employed since March 2006 working 24 hours per week and is attending Vo-Tech at night. He is taking a three (3) hour course in management and will graduate December 2006. He received TEA cash assistance for 8 months prior to starting Vo-Tech. His TEA case closed in April. The work requirement is met. The 3 hours of class along with the 3 hours of allowable study time brings his total countable hours to 30 per week which meets the federal work requirement for his situation. If otherwise eligible, the application may be approved.